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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/743,201	12/22/2003	Kiritharan Parankirinathan	LECPRV1	6878

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EXAMINER

BLECK, CAROLYN M

ART UNIT	PAPER NUMBER
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3626

DATE MAILED: 04/01/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

10/743,201

Applicant(s)

PARANKIRINATHAN, KIRITHARAN

Examiner

Carolyn M Bleck

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 21 December 2004.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-10 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-10 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____.
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____.

DETAILED ACTION

Notice to Applicant

1. This communication is in response to the amendment filed 21 December 2004.

Claims 1-10 are pending. Claims 1-10 have been amended.

Claim Rejections - 35 USC § 112

2. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

3. Claims 1-10 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

(A) Claim 1, lines 14-15, "the discounted survival risk benefits" for each life lacks antecedent basis. For purposes of applying prior art, the Examiner is interpreting "the discounted survival risk benefits" to be a single premium.

(B) Claim 1, line 15, "the present value" lacks proper antecedent basis. For purposes of applying prior art, the Examiner is interpreting "the present value" to be a single premium.

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(C) Claim 1, line 16, the expected death benefits “of the survivors.” For purposes of applying prior art, the Examiner is interpreting “the survivors” to be survivors.

(D) The Examiner respectfully submits that it is unclear what “the present value as of said beginning date” is. It is unclear if “the present value” is a face value, an investment value, or some other value. The Examiner requests clarification of this issue.

(E) The Examiner respectfully submits that it is unclear whether “committing said Coverage Provider to pay” within claim 1, line 19 and line 24, is an active step. It is unclear whether the Coverage Provider actually makes a payment or whether there is a step of paying. The Examiner requests clarifications of this issue.

Claim Rejections - 35 USC § 102

4. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

5. Claims 1-10 are rejected under 35 U.S.C. 102(b) as being anticipated by Ross (5,974,390).

(A) As per claim 1, Ross discloses a system and method for creating a predictable flow of funds from an otherwise unpredictable source (Abstract) comprising:

(a) creating a group of insured lives such that (col. 3 line 43 to col. 4 line 36, col. 6 lines 14-22, col. 8 line 16 to col. 10 line 16):

each of said insured lives is covered by an original insurance policy (col. 3 line 43 to col. 4 line 36, col. 6 lines 14-22, col. 8 line 16 to col. 10 line 16);

each one of said original life insurance policies is provided by one or more original life insurance companies (col. 3 line 43 to col. 4 line 36, col. 6 lines 14-22, col. 8 line 16 to col. 10 line 16);

each one of said original life insurance policies pays a death benefit to said Coverage Recipient upon the death of one of said insured lives (col. 3 line 43 to col. 4 line 36, col. 6 lines 14-22, col. 8 line 16 to col. 10 line 16);

said insured lives belong to a mortality class as of a beginning date (col. 3 line 43 to col. 4 line 36, col. 6 lines 14-22, col. 8 line 16 to col. 10 line 16);

(b) calculating the expected mortality of an insured to determine a death benefit due to the expected death of members of the group of insured lives, said deaths occurring between a beginning and end date (col. 3 line 43 to col. 4 line 36, col. 6 lines 14-22, col. 6 line 24 to col. 8 line 16, col. 8 line 16 to col. 10 line 16);

(c) calculating by a computer a premium equal to the death benefit received on a participant's life if he were to die at the beginning of the collection period less the offset amount, a predefined amount, such as the cash value of the policy or possibly a different amount, such as the sum of premiums paid to date into the policy (col. 3 lines 5-32, col. 7 line 53 to col. 8 line 7).

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(B) As per claim 2, Ross discloses at least one insurance policy for at least one insurance policyholder, where the insurance policyholder pays a premium (col. 9 lines 20-25 and col. 10 lines 25-43).

(C) As per claim 3, Ross discloses an interest rate of 5% (col. 9 lines 60-67).

(D) As per claim 4, Ross discloses paying a premium yearly (col. 7 lines 18-30, col. 9 lines 20-25, and col. 10 lines 25-43).

(E) As per claim 5, Ross discloses wherein said end date is on or before the end of the term of a loan, wherein said loan is from said Coverage Recipient to at least one of said insured lives (Abstract; col. 4 lines 20-47).

(F) As per claim 6, Ross discloses wherein said end date is chosen such that the probability of death of said insureds as of said end date is greater than or equal to .75 (col. 10 lines 25-45).

(G) As per claim 7, Ross discloses wherein said first benefit paid by said Coverage Provider to said Coverage Recipient is a loan (Abstract; col. 4 lines 20-47).

(H) As per claim 8, Ross discloses wherein said single premium includes a charge for loan interest (Abstract; col. 4 lines 20-47).

(I) As per claim 9, Ross discloses wherein said single premium is first calculated before said beginning date and then recalculated at least once after said beginning date (Fig. 4H, col. 4 lines 9-20).

(J) As per claim 10, Ross discloses wherein at least one of said insured lives is impaired (Fig. 4H).

Response to Arguments

6. Applicant's arguments with respect to claims 1-10 have been considered but are moot in view of the new ground(s) of rejection.

Conclusion

7. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of

the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

8. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Carolyn Bleck whose telephone number is (703) 305-3981. After April 13, 2005, the Examiner can be contacted at (571) 272-6767. The Examiner can normally be reached on Monday-Thursday, 8:00am – 5:30pm, and from 8:30am – 5:00pm on alternate Fridays.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Joseph Thomas can be reached at (703) 305-9588.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Receptionist whose telephone number is (703) 306-1113.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

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9. **Any response to this action should be mailed to:**

Commissioner of Patents and Trademarks
Washington, D.C. 20231

Or faxed to:

(703) 872-9306 or (703) 872-9326 [Official communications]

(703) 872-9327 [After Final communications labeled "Box AF"]

(703) 746-8374 [Informal/ Draft communications, labeled
"PROPOSED" or "DRAFT"]

Hand-delivered responses should be brought to Crystal Park 5, 2451 Crystal Drive,
Arlington, VA, 7th Floor (Receptionist).

CB
CB

March 21, 2005



ALEXANDER KALINOWSKI
PRIMARY EXAMINER